



Applaa ACCA Practice Mock 76

Mock Practice Exam Booklet

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Instructions & Study Method

Welcome to your Applaa offline practice booklet. Please follow these guidelines to maximize your learning outcome:

- 1. Distraction-Free Practice:** Solve the multiple-choice questions in Section 1 under timed conditions. Do not look for shortcuts or answers until you are completely done.
- 2. Check & Submit Online:** We have intentionally excluded the answer key from this printout. To get your score, see worked solutions, and track your progress metrics, open: <https://applaa.com/practice/check?exam=acca&paper;=76> on any browser. Bubble in your answers in our digital check sheet.
- 3. Learn with Appy Buddy (AI Socratic Tutor):** Applaa is a 100% ad-free educational space. Our online AI Tutor guides you step-by-step through questions you get wrong, showing you how to solve them rather than just giving you the answer.

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Section 1: Practice Questions

Question 1 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Solar Energy plc was £120,000. An error was discovered: Closing inventory was overstated by £15,000. What is the revised profit after correcting this error?

- A: £135,000
- B: £105,000
- C: £120,000 (no effect on profit)
- D: £90,000

Question 2 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Zephyr Services LLP is shown in the diagram. Credit sales of £22,000 were recorded, and cash of £17,600 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £15,400 Debit closing balance
- B: £15,400 Credit closing balance
- C: £33,000 Debit closing balance
- D: £17,600 Credit closing balance

Question 3 — [Financial Accounting / VAT Computations]

A retail store, Crown Paper Ltd, purchased inventories for a gross total of £25,000 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Crown Paper Ltd?

- A: Net Cost: £20,833, VAT Recoverable: £4,167
- B: Net Cost: £25,000, VAT Recoverable: £5,000
- C: Net Cost: £20,000, VAT Recoverable: £5,000
- D: Net Cost: £20,833, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

Question 4 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Genesis Enterprises Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £240. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £120 was completely omitted from the books.
- B: A cash payment of £120 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £120 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £120 was debited to the Purchase Returns account and credited to Receivables Control.

Question 5 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Apex Trading Ltd was £120,000. An error was discovered: Closing inventory was overstated by £1,200. What is the revised profit after correcting this error?

- A: £121,200
- B: £118,800
- C: £120,000 (no effect on profit)
- D: £117,600

Question 6 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Summit Manufacturing Ltd was £120,000. An error was discovered: Closing inventory was overstated by £4,800. What is the revised profit after correcting this error?

- A: £124,800
- B: £115,200
- C: £120,000 (no effect on profit)
- D: £110,400

Question 7 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Apex Trading Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £1,200. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £600 was completely omitted from the books.
- B: A cash payment of £600 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £600 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £600 was debited to the Purchase Returns account and credited to Receivables Control.

Question 8 — [Financial Accounting / VAT Computations]

For the last quarter, Titan Steel plc had net credit sales of £250,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £150,000. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £25,000 Payable
- B: £25,000 Reclaimable
- C: £50,000 Payable
- D: £20,000 Payable

Question 9 — [Financial Accounting / Trial Balance Reconciliation]

The trial balance of Zephyr Services LLP balanced perfectly. However, it was later discovered that a purchase of equipment costing £4,200 was entered into the repairs and maintenance account. What type of error has occurred?

- A: Error of Omission
- B: Error of Commission
- C: Error of Principle
- D: Error of Reversal

Question 10 — [Financial Accounting / Double-Entry Bookkeeping]

The sole trader of Titan Steel plc took goods costing £2,700 from the business for personal use. These goods had a selling price of £4,050. What is the correct double entry to record this transaction?

- A: Debit Drawings £2,700, Credit Purchases £2,700
- B: Debit Drawings £4,050, Credit Revenue £4,050
- C: Debit Purchases £2,700, Credit Drawings £2,700
- D: Debit Inventory £2,700, Credit Drawings £2,700

Question 11 — [Financial Accounting / VAT Computations]

Pinnacle Consulting Ltd purchased a motor car for £8,000 inclusive of VAT, for use by a director. The car is used 60% for business travel and 40% for private travel. What is the input VAT recovery rule regarding this vehicle?

- A: Input VAT can be recovered in full (100%).
- B: Input VAT can be recovered at 60% representing the business use portion.
- C: No input VAT can be recovered because input VAT is generally blocked on passenger motor cars unless used exclusively for business (0% recovery).
- D: Input VAT can be recovered in full if the car is leased rather than purchased.

Question 12 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Falcon Engineering Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £240. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £120 was completely omitted from the books.
- B: A cash payment of £120 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £120 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £120 was debited to the Purchase Returns account and credited to Receivables Control.

Question 13 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Falcon Engineering Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £600. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £300 was completely omitted from the books.
- B: A cash payment of £300 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £300 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £300 was debited to the Purchase Returns account and credited to Receivables Control.

Question 14 — [Financial Accounting / VAT Computations]

For the last quarter, Omega Foodstuffs plc had net credit sales of £110,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £66,000. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £11,000 Payable
- B: £11,000 Reclaimable
- C: £22,000 Payable
- D: £8,800 Payable

Question 15 — [Financial Accounting / Asset Valuation and Depreciation]

Nexus Media plc disposed of a delivery vehicle for £20,160. The vehicle had originally cost £33,600 and had accumulated depreciation of £16,800 at the date of disposal. What is the gain or loss on disposal to be recorded in profit or loss?

- A: Gain on disposal of £3,360
- B: Loss on disposal of £3,360
- C: Gain on disposal of £-13,440
- D: Loss on disposal of £16,800

Question 16 — [Financial Accounting / VAT Computations]

For the last quarter, Meridian Distributors Ltd had net credit sales of £48,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £28,800. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £4,800 Payable
- B: £4,800 Reclaimable
- C: £9,600 Payable
- D: £3,840 Payable

Question 17 — [Financial Accounting / Double-Entry Bookkeeping]

For the year ended 31 December, Genesis Enterprises Ltd paid rent of £45,000. At the year-end, the company had an outstanding electricity invoice of £3,750 which has not yet been paid. What are the adjusting entries required at the year-end to record this accrual?

- A: Debit Accruals £3,750, Credit Electricity Expense £3,750
- B: Debit Electricity Expense £3,750, Credit Accruals (Liabilities) £3,750
- C: Debit Cash £3,750, Credit Electricity Expense £3,750
- D: Debit Electricity Expense £3,750, Credit Prepayments (Assets) £3,750

Question 18 — [Financial Accounting / Asset Valuation and Depreciation]

Pinnacle Consulting Ltd disposed of a delivery vehicle for £105,600. The vehicle had originally cost £176,000 and had accumulated depreciation of £88,000 at the date of disposal. What is the gain or loss on disposal to be recorded in profit or loss?

- A: Gain on disposal of £17,600
- B: Loss on disposal of £17,600
- C: Gain on disposal of £-70,400
- D: Loss on disposal of £88,000

Question 19 — [Financial Accounting / Trial Balance Reconciliation]

The trial balance of Pinnacle Consulting Ltd balanced perfectly. However, it was later discovered that a purchase of equipment costing £22,000 was entered into the repairs and maintenance account. What type of error has occurred?

- A: Error of Omission
- B: Error of Commission
- C: Error of Principle
- D: Error of Reversal

Question 20 — [Financial Accounting / VAT Computations]

For the last quarter, Aura Goods Ltd had net credit sales of £12,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £7,200. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £1,200 Payable
- B: £1,200 Reclaimable
- C: £2,400 Payable
- D: £960 Payable

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■ Section Complete!

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Simply bubble in your choices (e.g. A, B, C, D) and get instantly scored! You can then review the explanations or chat with Appy Buddy (AI Socratic tutor) to understand complex concepts.